



HF 643 – Model Rural Hub and Spoke Recycling Program (LSB2564HZ)
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Fiscal Note Version – New

Description

House File 643 transfers up to \$100,000 in FY 2016 from the Solid Waste Account in the Groundwater Protection Fund to the Waste Reduction Center at the University of Northern Iowa (UNI) to conduct a study to develop a Hub and Spoke Recycling Program for Iowa. The Bill specifies what the study will include and requires the Center to submit a preliminary report with findings to the Department of Natural Resources (DNR) by December 31, 2015, and a final report by July 1, 2016.

Background

The Hub and Spoke Recycling Program has been implemented in other states:

- **Colorado** has a hub and spoke recycling model that has centralized processing centers or hubs in larger cities where the materials are sorted and sold. Surrounding communities bring their recyclables to the hub.
- **New Mexico** began a hub and spoke program in 2010 with federal grant money from the Department of Energy. The hubs invested in capital equipment and infrastructure necessary to process and store recycled materials that can be sold to remanufacturing markets. The spoke communities invested in collection trailers or containers that can be easily transported to the recycling hub.
- **Tennessee** is in the beginning stages of a hub and spoke program. Currently the Tennessee Division of Solid Waste Management is asking for a proposal to establish facilities for processing and collecting recyclable materials from multiple local governments.

Fiscal Impact

The estimated fiscal impact is a one-time allocation of up to \$100,000 in FY 2016 from the Solid Waste Account of the Groundwater Protection Fund.

Source

Department of Natural Resources

/s/ Holly M. Lyons

April 16, 2015

The fiscal note for this bill was prepared pursuant to **Joint Rule 17** and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
